

Ask for one of the world's great whiskies.



Ask for Canadian Club. A world favourite because of its uniquely smooth, distinctive taste. No other whisky tastes quite like Canadian Club. A taste you'll enjoy.



Canadian Club

Imported Canadian Whisky

© Hiram Walker & Sons Limited—1972

Theater.

The Trib has its own "first nighters" all over Europe... and reports regularly on the New York stage as well.

If it's the smell of greasepaint and the roar of the crowd you're after, then you ought to read the Tribune every day.

Food.

The fine art of good eating is a favorite European pastime—and gourmet eat up the Tribune's food articles.

Where to eat what, and for how much, is covered regularly in the feature pages of the International Herald Tribune.

News.

Reporting as objective as humanly possible, plus background to put events into perspective—that's what we call news.

Interpret this news with signed editorial comment and you have the Herald Tribune—Europe's one international newspaper.

2 UN Assembly Votes Back African Rule in Rhodesia

UNITED NATIONS, N.Y., Dec. 7 (UPI).—The General Assembly, over Western objections, today approved two resolutions designed to bring about African majority rule in Rhodesia.

The assembly voted 111 to four, with nine abstentions, to call on Britain to arrange for a constitutional conference that would include all political elements in Rhodesia.

U.S. Seeking MBFR Talks Within Year

(Continued from Page 1)

portedly warned of the need to guard against this possibility. But, the sources added, the general thrust of his words displayed optimism about the prospects of the conference advancing the interests of the West.

However, the meeting did reveal that the NATO allies are still not completely unanimous over the best format for the security conference. In other speeches, West German Foreign Minister Walter Scheel today endorsed the so-called three-stage model proposed by France, and Sir Alec Douglas-Home of Britain indicated that his government is leaning in the same direction.

The French proposal calls for opening the conference with a meeting of the foreign ministers from all participating countries. This meeting would set up committees to deal with the various agenda items, and after the completion of their work, there would be another high-level meeting, probably at the foreign minister level.

Mr. Rogers said that the United States opposes, at this time, a Soviet proposal for a three-stage conference ending with a meeting of heads of government. As to the French plan, U.S. sources quoted Mr. Rogers as saying the United States considered it a possibility but wanted to reserve its final decision.

Plan for E. Germany

In another development, West Germany's three allies with rights in Germany as wartime victors—the United States, Britain and France—acknowledged that they have a concerted plan for pursuing diplomatic relations with East Germany.

As outlined by French Foreign Minister Maurice Schumann, the three will open preliminary contacts with East Germany after the signing of the treaty establishing relations between the two Germanys on Dec. 21. However, one of the three will move to the stage of actually opening relations until after the treaty is ratified by the West German parliament, a process that will not be completed until April or May.

It also became known today that the three Western Allies have agreed to a West German plan to fudge or blur the question of East German recognition.

West Germany fears that formal acknowledgment of diplomatic recognition would buttress East German claims to total sovereignty and thereby prejudice hopes of holding open the possibility of eventual German reunification. Therefore, Bonn proposes a plan under which its allies would establish relations with the East Germans and open diplomatic missions in East Berlin, while, at the same time, avoiding a formal declaration of recognition.

In his speech to the council, Mr. Scheel spelled this out by saying: "We would welcome it if member countries would forgo express and formal declarations of recognition and, in particular, the transmission of such declarations to East Germany... There is no legal need for this transmission. Politically, it might give rise to misunderstandings over the meaning of recognition."

"Great Favor"

Mr. Scheel also said West Germany would regard it as a "great favor" if the other NATO countries allowed it to be the first to open a mission in East Germany. Most of the NATO members, including the Big Three, are expected to honor this request. But at least two, Denmark and Norway, are planning quick recognition, and it is not clear whether this will cause them to have embassies in East Germany before Bonn.

In all of today's discussions, the one element of real conflict involved criticisms by the United States and Britain of Denmark for its tentative plans to make reductions in its armed forces. The projected Danish move is regarded as a weakening of NATO military resources and a potentially dangerous precedent for the alliance.

In reply, Danish Defense Minister Kjeld Olesen told newsmen that his government understood the reasons for the criticism and considered it as well-intended. However, he insisted that domestic financial considerations left Denmark no option and said that more efficient use of personnel would minimize the effect of the reduction on NATO defenses.

Premier Jack Lynch called for a "massive response" to demonstrate to Northern Ireland's Protestant majority that it would get equal treatment if Ulster were united to Ireland.

U.S. Seeking MBFR Talks Within Year

After the Labor party election victory in Australia, the delegation of Australia switched its votes from "no" on the sanctions resolution and an abstention on the constitutional draft to "yes" votes in both cases.

Australia thus broke ranks with the Western voting pattern.

New Zealand, which also used to vote with the Western nations and which also had a Labor party victory in recent elections, changed its previous stands to abstentions.

In an action last night, the Security Council, with the Soviet Union abstaining and China not participating, approved a further extension of UN contacts with South Africa on the future of South-West Africa.

The vote was 13 in favor, none against.

It came on an Argentine draft that would require Secretary-General Kurt Waldheim to continue his "valuable efforts" to secure self-determination and eventual independence for South-West Africa, a territory the UN has named Namibia and where it claims jurisdiction.

Mr. Waldheim's new mandate is limited to next April 30, by which date he is required to report back to the council.

East Germany's new UN observer, Horst Grunert, attended his first meeting of the Security Council and received a warm greeting from the Soviet Union. Other members of the 15-nation council did not take note of Mr. Grunert's presence.

Pessimism Grips Talks

(Continued from Page 1)

changes in the draft accord in unusually moderate language.

The Saigon delegate, Nguyen Xuan Phong, said, "Never before were the chances for peace as great as they are at the present time." More specifically, Saigon dropped its earlier language demanding "formal assurances" of a North Vietnamese troop withdrawal.

Mr. Phong said the North Vietnamese "should decide to withdraw back to North Vietnam all their troops currently operating in South Vietnam"—a number put between 145,000 and 300,000. In wording that suggested a possible way around the troop withdrawal impasse, he noted that "with regard to problems between North Vietnam and South Vietnam, they should be settled without difficulty on the basis of mutual respect and reciprocal non-interference."

However, Nguyen Minh Vy, Hanoi's deputy negotiator, said that Saigon's demands for some form of North Vietnamese commitment on troop withdrawal had "again forced the negotiations into deadlock."

The subdued mood of the day was further reinforced by the failure of the French Foreign Minister, Maurice Schumann, to comment on the luncheon to which he invited Mr. Kissinger today at the Foreign Ministry. Mr. Schumann is well known for his aversion to pessimism.

New Saigon Warning

SAIGON, Dec. 7 (UPI).—The South Vietnamese government said this morning that "it is determined not to be part of any agreement" to end the war "that does not explicitly, in black ink on white paper, require the total withdrawal of North Vietnamese troops."

In a broadcast on the state-owned Saigon radio, the government issued its strongest and most explicit warning that it would refuse to honor any peace accord worked out in Paris that did not satisfy South Vietnam on this point.

"If the South Vietnamese government, the sole and unique legal government in the South, does not sign the agreement, then any peace treaty concluded... just a paper headed for the waste basket, for the South Vietnamese government will not recognize it; the South Vietnamese government will not abide by it," the broadcast said.

Russia Asked On IRA Arms

(Continued from Page 1)

the constitutional change was expected to be approved.

Voters also were asked to approve the lowering of the voting age from 21 to 18.

All of the major political parties supported the change and the head of the Catholic Church in Ireland has said that the special status granted by the constitution is a meaningless phrase. In County Cork, a church magazine urged voters to abstain.

Premier Jack Lynch called for a "massive response" to demonstrate to Northern Ireland's Protestant majority that it would get equal treatment if Ulster were united to Ireland.

At the polls, the only visible protest was made by a Catholic father of 17 children who shouted a biblical message until he was marched away by police.



WAITING IT OUT—Pilot naps in cockpit of F-4 jet fighter on flight deck of carrier Saratoga in Gulf of Tonkin recently. Pilots spend many hours like this, waiting in combat-ready aircraft to take off if enemy MIGs endanger U.S. ph

B-52s Concentrate Attacks On Enemy Trucks Near DMZ

SAIGON, Dec. 7 (AP).—B-52s dropped more than 600 tons of bombs around the Demilitarized Zone in one of the heaviest raids of the renewed air war, the U.S. command reported today.

In support of northern operations, the U.S. command directed a score of B-52s to a big enemy truck park concealed by foliage six miles north of the DMZ. About 15 other Stratofortresses struck within a 10-mile radius of the target between noon yesterday and noon today, the command said.

It gave no report of damage, but one source said there was a heavy concentration of trucks in the area. Sources said recent raids have virtually blocked mountain passes from the southern region of North Vietnam into the Ho Chi Minh Trail for the time being, freeing the B-52s to hit at supply concentrations near the DMZ.

Smaller U.S. tactical jets flew 30 sorties over North Vietnam's southern panhandle in the 24 hours ending at 5 p.m. yesterday. Navy pilots reported destroying 15 trucks and a railroad bridge in the northern part of the panhandle.

In air action over South Vietnam, U.S. tactical jets flew 85 sorties in the northern military region out of a total of 217 for the 24 hours ending at dawn today. South Vietnamese attack planes were reported to have flown 158 sorties, but no breakdown was given on areas of operation.

A military source explained that bad weather hindered observation of strike results and that a great part of the raids hit behind enemy lines, where there is no opportunity for ground observation.

Ground War

On the ground, South Vietnamese paratroopers, expanding their control of northernmost Quang Tri Province, reported overrunning an underground fortress big enough to accommodate an enemy regiment.

Military spokesmen said 30

Ship Is Blown Up At Phnom Penh, Seven Are Killed

PHNOM PENH, Dec. 7 (AP).—Communist frogmen blew up a small freighter in Phnom Penh's port in the dark hours of this morning, killing four persons and wounding 14, authorities reported. Three of the four frogmen were killed by sentries, a military police source said.

The vessel, the Bright Star, owned by Star Line Ltd. of Hong Kong, arrived in Phnom Penh yesterday with 1,800 tons of general cargo. It was the fourth foreign-flag ship sabotaged in Phnom Penh in the last four months.

Officials said the 2,381-ton freighter was at a pier in the Tonle Sap River when the ship's watch and Cambodian armed guards aboard spotted two pairs of frogmen swimming around it about 1:15 a.m. The sentries shot at the frogmen and called in demolition experts to search the ship.

The explosive experts found one large block of plastic explosives attached to the hull of the ship and disarmed it.

About 3:15 a.m., another block surfaced and at first it was mistaken for a float. When one of the searchers picked it up, the plastic exploded in his hands, killing him, two other Cambodians and a Chinese sailor. The rest of the ship's 33 crewmen were not injured.

Lon Nol 'Improving'

PHNOM PENH, Dec. 7 (Reuters).—Three U.S. Army doctors have reported that Cambodia's President Lon Nol is recovering well from a stroke suffered in February, 1971, which left him with a difficulty in walking and a speech impediment.

B-52s Concentrate Attacks On Enemy Trucks Near DMZ

North Vietnamese—including a battalion commander and his deputy—and three paratroopers were killed in the fight. Thirty more enemy soldiers killed by air strikes were found in the tunnel network.

Nearer Saigon, government infantry today occupied several Communist rocket sites only seven miles from the capital and found the bodies of 30 North Vietnamese gunners who yesterday bombarded the city's Tan Son Nhut air base.

The enemy troops were killed by helicopter gunships and air strikes. When South Vietnamese units, backed by armor, moved in at dawn they met no resistance.

The rest of an estimated 300 soldiers belonging to a sapper battalion of the North Vietnamese 7th Division melted into the surrounding bamboo scrub and elephant grass and apparently were attempting to escape northward.

Three South Vietnamese soldiers were killed and four wounded in fighting in the region north of Saigon yesterday, and two more died and two were wounded by a misdirected South Vietnamese gunship attack early today, military sources reported.

In Vientiane, Laos, a U.S. military spokesman said Laotian government irregular forces retook the provincial capital of Pakxang, 290 miles southeast of Vientiane, yesterday afternoon. One government soldier was wounded.

Truce-Line Bar Cleared

(Continued from Page 1)

countries on July 3, India was to pull out from a 5,000-square-mile area in Pakistan and Pakistan from about 70 square miles of Indian territory.

The settlement at Lahore has raised hopes about early repatriation of the 90,000 Pakistani prisoners of war and civilian internees in Indian custody, as well as the resumption of diplomatic relations between India and Pakistan, which were broken off at the beginning of the war over Bangladesh.

Bangladesh—the new nation created by Indian military intervention in what was East Pakistan—has demanded Pakistan's recognition as a condition for the release of POWs who surrendered in its territory.

President Zulfikar Ali Bhutto of Pakistan was recently reported to be in favor of early recognition and to be trying hard to carry public opinion with him in making the decision.

U.S. Still Mining Some Harbors

WASHINGTON, Dec. 7 (UPI).—The United States is continuing to reseed at least some of the minefields blocking North Vietnamese ports despite the moves toward a cease-fire, the Pentagon said yesterday.

Five weeks ago the United States restricted its bombing to the region of North Vietnam below the 20th parallel. But four of the seven ports mined last May 8 are south of the parallel. Pentagon spokesman Jerry W. Friedman said, "We've had occasion to reseed the minefields south of the 20th since the restriction."

Israel, Saigon Announce Ties

JERUSALEM, Dec. 7 (UPI).—Israel announced today the establishment of full diplomatic relations with South Vietnam.

A Foreign Ministry spokesman said the two nations would exchange ambassadors "in a short time" and the South Vietnamese Embassy will be situated in Jerusalem. Most embassies are in Tel Aviv.

No GI Death In Combat During Week

SAIGON, Dec. 7 (AP).—The U.S. command announced today that no Americans were killed in action in Vietnam last week for the second consecutive week. But it said 11 Americans died from hostile causes, one was missing or captured and seven were wounded.

South Vietnamese by quarters reported that 11 names were listed since the start of North Vietnamese offensive on March 30.

It was the fourth week since mid-September that U.S. command reported Americans killed in action.

The Saigon command reported 335 South Vietnamese soldiers killed, 1,349 wounded and 47 missing in action week. It claimed 1,247 North Vietnamese and Viet Cong troops were killed.

M. le Mediateur—That's French For Ombudsman

PARIS, Dec. 7 (AP).—Frustrated to have an ombudsman, an independent official to whom citizens can complain of administrative injustices, the government announced today.

The "mediator," as he will be called in France, will operate the British pattern, receiving complaints through members of both houses of the French Parliament.

Government spokesman Philippe Leclerc explained the possibility of direct appeal to mediator's office by the citizen had been rejected for fear it would be swamped by demands.

The laws establishing the mediator are expected in March. Leclerc said the government named the mediator named after the laws were passed.

The ombudsman is a name—originated in Scandinavia where the office has proved powerful one, with the holder having the right to question levels of administration.

Swedish Rail Crash

STOCKHOLM, Sweden (Reuters).—Five persons killed and at least 17 injured in an express train and a local passenger train collided today in this town on the southern of Stockholm, railroad officials said.

WEATHER

	° F	° C	Wind
ALBUQUERQUE	10	36	Fair
ANKARA	10	50	Cloudy
ATHENS	12	54	Rain
BAGDAD	12	54	Cloudy
BELGRADE	12	54	Cloudy
BOMBAY	8	46	Cloudy
BRAZILIA	8	46	Cloudy
BUDAPEST	12	54	Cloudy
CAIRO	12	54	Cloudy
CARACAS	12	54	Cloudy
CHENNAI	12	54	Cloudy
COSTA DEL SOL	12	54	Cloudy
DUBLIN	7	45	Partly
HONG KONG	12	54	Cloudy
KARACHI	12	54	Cloudy
KOLKATA	12	54	Cloudy
LAOS	12	54	Cloudy
LONDON	8	46	Cloudy
LYON	12	54	Cloudy
MADRID	12	54	Cloudy
MILAN	12	54	Cloudy
MOSCOW	12	54	Cloudy
MUMBAI	12	54	Cloudy
NEW DELHI	12	54	Cloudy
PARIS	12	54	Cloudy
PRAGUE	12	54	Cloudy
ROME	12	54	Cloudy
SARAJEVO	12	54	Cloudy
SEOUL	12	54	Cloudy
SINGAPORE	12	54	Cloudy
SOFIA	12	54	Cloudy
TAIPEI	12	54	Cloudy
TOKYO	12	54	Cloudy
VIENNA	12	54	Cloudy
YOKOHAMA	12	54	Cloudy

You'll love sunny, spectacular

estoril

where everything is perfection all year round. Stay in elegant hotels and enjoy delicious Portuguese cuisine in traditional restaurants. Relax on beautiful beaches and enjoy the sun through swimming pools. Practice all your favorite sports. The climate, the culture, the clubs and the company... you'll find the best of everything in Estoril.

Assistant Secretaries Going

Major Shake-Up Is Reported
U.S. Interior Department

By William M. Blair

WASHINGTON, Dec. 7 (AP).—The administration has ordered a major shake-up of the U.S. Interior Department, with three assistant secretaries, the two top officials of

the Bureau of Indian Affairs, the director of the National Park Service, the commissioner of reclamation and the departmental solicitor reported to have been dismissed in the shake-up.

President Nixon and the Secretary of the Interior, Rogers C.B. Morton, were expected to announce the dismissals soon, along with widespread changes in lower-level posts.

According to informed sources, the personnel actions followed Mr. Nixon's decision to retain Mr. Morton as secretary of the department during his second term.

The shake-up was regarded by observers as one of the most sweeping in any cabinet department in years.

Meanwhile, Mr. Nixon was reported to be prepared to push in Congress his reorganization plan, which would include a Department of Natural Resources.

A Dozen Agencies

The proposed new department would absorb the Department of the Interior and would bring together natural resources functions now apportioned among a dozen or more agencies.

The magnitude of the dismissals is much greater than those that followed President Nixon's dismissal of Walter J. Hickel as secretary of the Interior. Mr. Hickel criticized the President for alienating youth and ignoring cabinet members. At that time, only a handful of Mr. Hickel's close aides were involved.

Mr. Morton, a former member of Congress from Maryland, succeeded Mr. Hickel.

All those dismissed are presidential appointees except the director of the National Park Service. In addition to filling these posts, Mr. Nixon has the office of under secretary of the interior to fill. This post has been vacant since the death of William T. Pecora earlier this year.

The assistant secretaries dismissed include Harrison B. Loesch, who had been in charge of the Bureau of Indian Affairs. He is a target of militant Indians who accused and ransacked the Bureau of Indian Affairs building a month ago. Mr. Loesch favored the Indians by force, but the White House overruled that approach for negotiations.

Along with Mr. Loesch, pro forma resignations were picked up from the commissioner of Indian Affairs, Louis R. Bruce, an Ogala Sioux-Mohawk, and his deputy, John O. Crow. These men have been at loggerheads over Indian programs. After the take-over of the Indian Affairs building, Mr. Crow denounced Mr. Bruce as a poor administrator. Indian leaders have charged that Mr. Crow was put in the bureau by Secretary Morton to "keep a lid" on Mr. Bruce.

The 800 Indians who barricaded the department's building called for the ouster of Mr. Loesch and Mr. Crow.

Perhaps the major surprise in the dismissals was that of George B. Harbo, Jr., director of the National Park Service. Mr. Harbo has come under fire recently from some conservationists for what they term the overcrowding and deterioration of some national outdoor preserves.

Some Goals Fulfilled

Mr. Harbo, whose resignation is effective Dec. 31, said he felt he had accomplished some of his goals in making parks and other preserves more available to the public for outdoor recreation.

The other officials dismissed were regarded by environmentalists and other critics of the department as more attuned to the exploitation of natural resources than to efforts to protect and save such resources as land, water and energy.

These officials are:

● Hollis M. Dole, assistant secretary for mineral resources, who had been a director of the Oregon Department of Geology and Mineral Resources.

● James R. Smith, assistant secretary for water resources and management, a former executive of the Northern Natural Gas Co. of Omaha.

● Ellis M. Armstrong, commissioner of reclamation.

● Mitchell Melish, solicitor.

These men had major support from Western members of Congress.

Five-Year Term
Given Sailor for
Forrestal Arson

NORFOLK, Va., Dec. 7 (AP).—A naval judge today found Seaman Apprentice Jeffrey Allison, 19, guilty of arson, sabotage and endangering a vessel in the \$7.5-million fire that swept the aircraft carrier Forrestal here July 10.

The judge, Capt. William D. Neely, sentenced Allison to five years in prison and ordered that he be given a bad-conduct discharge.

The seaman could have been sentenced to life imprisonment, but the prosecutor asked a maximum of 30 years for what constituted the most damaging act of sabotage in U.S. Navy history. No one was injured, but the blaze aboard the big carrier delayed its departure for Mediterranean duty by two months. The quarters of the ship's admiral were the most badly damaged part of the vessel.

Capt. Neely also found Allison guilty of charges of possessing LSD and marijuana.



SNOOPY IN TOYLAND—Two-year-old Shannon nuzzling up to an eight-foot beagle in Oklahoma shop.

Some Traditional Liberals

Democratic Coalition Formed
To Curb 'New-Politics' Wing

By Jules Witcover

WASHINGTON, Dec. 7.—A coalition including supporters of the losing candidates for the 1972 Democratic presidential nomination launched a new action group yesterday, designed to bring defunct Democrats back to the party fold.

The group, called the Coalition for a Democratic Majority, includes some traditional Democratic liberals who worked and campaigned actively for Sen. George McGovern but who said they want no part of his "new politics" backers.

Sen. J. W. Watterberg, former aide to President Lyndon B. Johnson and earlier this year to Sen. Henry M. Jackson, D. Wash., said the group is neutral in the approaching showdown over chairmanship of the Democratic National Committee.

But key members of the new coalition, listed in a kickoff membership advertisement today in The New York Times and The Washington Post, have been active in the drive to dump Sen. McGovern's hand-picked committee chairman, Mrs. Jean Westwood.

Dump Westwood

They include Robert Keefe, a consultant to the Committee on Political Education of the AFL-CIO, who is regarded as the chief strategist and organizer of the dump-Westwood effort.

Others on the list of organizers or sponsors are Max M. Kampman and William Connolly, two close political advisers of Sen. Hubert H. Humphrey, D. Minn.; Eugene L. Wyman, a Los Angeles lawyer; Walter H. Shorenstein, a San Francisco businessman; and S. Harrison Dogole, a Philadelphia businessman, all key Humphrey fund raisers.

Members of Congress include Rep. Thomas S. Foley, D. Wash., a Jackson ally who later campaigned for Sen. McGovern; Rep. James G. O'Hara, D. Mich., chairman of the rules committee for the 1972 convention; Rep. James V. Stanton, D. Ohio, and Rep. Richard W. Bolling, D. Mo.

Mr. Watterberg and Rep. Foley both said they personally favor Robert Strauss of Texas, the former party treasurer and close friend of former Secretary of the Treasury John B. Connally, to succeed Mrs. Westwood.

But as an organization, Mr.

State Attorneys
Urge Restoration
Of Death Penalty

CORONADO, Calif., Dec. 7 (AP).—The National Association of Attorneys General recommended yesterday that the death penalty be restored for certain crimes.

"Each state would determine what the offense would be," said Oklahoma Attorney General Larry Derryberry, chairman of a volunteer committee of 11 state attorneys general that presented the recommendation.

The resolution asked that "the death penalty be provided as a legal punishment where it is appropriate by the Congress and the state legislatures within their respective jurisdictions."

The vote in favor of the resolution was 32 to 1.

The name of the lone dissenter was not disclosed.

Mr. Derryberry said earlier that his committee had "determined that the alternative for reinstating the death penalty most likely to be favorably considered by the U.S. Supreme Court (which has ruled the death penalty unconstitutional) is one that would impose a mandatory death sentence for specified offenses."

He said that the committee discussed several crimes that might carry mandatory death sentences. They included murder during felonies such as armed robbery, rape, burglary, arson and kidnapping; murder of a police officer or public figure; murdering for money; multiple slayings; and murder by explosive devices.

Church Body
In U.S. Votes
Reform PlanBlack Named Leader
Of National Council

By Eleanor Blau

DALLAS, Dec. 7 (AP).—The General Assembly of the National Council of Churches voted itself out of existence yesterday by approving a broad reorganization of the 22-year-old council.

The plan, overwhelmingly approved by the assembly's 850 delegates, is designed to streamline operations of the council, which is composed of 38 Protestant and Orthodox denominations. The aim is to centralize the council's decision-making but, at the same time, have it represent a broader spectrum of its constituents.

The plan was implemented after the ninth triennial assembly adjourned its four-day session today.

A black churchman, the Rev. W. Sterling Cary of New York, was elected today to the presidency of the National Council. Mr. Cary, 45, an executive of the metropolitan area of the United Church of Christ, succeeds Dr. Cynthia Wedel, a Washington, D.C., Episcopalian, as head of the organization.

Minority Complaints

The reorganization comes at a time when many of the 33 member denominations have moved to streamline their own structures to try to make them more responsive to grass-roots interests. It was devised following the 1969 assembly in Detroit at which minority groups took over the agenda with various demands. At that time, delegates complained that the council failed to place minority-group delegates in positions of power and that it had become too bureaucratic.

Under the council reorganization, power over programs and budgets is centralized in a governing board the 350 members of which will be chosen in accordance with quota systems. Delegations from each denomination are to be approximately half lay people, one-quarter women and one-eighth under the age of 35. They also are to represent the racial and ethnic composition of their denomination.

Each board member will be assigned to one of five sections reflecting particular areas of concern, such as "human need"—including poverty, racial injustice and drug addiction—"changes in society"—including ecology, church-state relations and church investment policies—and ecumenism.

Attacks on ADA

The new coalition marked its kickoff with some attacks on another Democratic action group, Americans for Democratic Action.

Mr. Watterberg charged the ADA with practicing "guilt by association" against Mr. Strauss by circulating an article from the liberal Texas Observer quoting a Texan as saying that "when Connally eats watermelon, Strauss spits seeds."

"If there's a splinter group in the Democratic party, it's the ADA," Mr. Watterberg said. "ADA no longer represents the main stream of the Democratic party."

Several sponsors of the new coalition said they had been ADA members, but quit.

Mr. Watterberg said he and about a dozen others started talking in early September about the need for an anti-"new-politics" coalition to recapture the Democratic party. But they decided to do nothing publicly, he said, because they "in no way wanted to be perceived as undercutting George McGovern."

Among the functions of the new group, he said, may be publishing voting records, establishing local chapters, supporting candidates and other organizational chores.

Officials Split Out

Rep. O'Hara and several others complained that the takeover of the party machinery by McGovernites in the 1972 presidential primaries and caucuses shut out party officials more attuned to average Democratic voters, whose support ultimately was lost in the November election.

Austin Ranney, a professor at the University of Wisconsin and a member of the party reform commission headed by Sen. McGovern, said he favors continuation of most reforms. But he said he would eliminate quotas for special population groups and drop the barriers erected in 1972 against wider participation of elected officials.

Richard Schiffer, vice-president of the Maryland State Board of Education, called the practice of grass-roots political activism "an upper-middle-class sport" in which average Democrats lost out. But he said he favored most of the 1972 reforms. The task for the new group, he said, is to get traditional liberal Democrats to go out and work as zealously as the new-politics activists had done.

© Los Angeles Times.

MICHEL SWISS
PERFUMES-GLOVES
BAGS-TIES-GIFTS
SPECIAL EXPORT DISCOUNT
18 Rue de la Paix - PARIS
Tel. 01. 55.35

Town Is Flushed With Success
By Brick Trick on Waste Water

CHEERY HILL, N.J., Dec. 7 (AP).—Six months ago, Mrs. Tilly Spetgong walked into a City Council meeting carrying a brick. Councilman Steve Morgan ducked under his desk. "He must have thought I was going to throw it," she said. "but all I wanted was to put one into every toilet tank in town." To save water, she explained.

The unusual proposal was approved, and this small residential community across the Delaware River from Philadelphia was thus to become probably the first town in America with a brick in every toilet.

The idea is that the brick will take up space in the toilet tank, displacing a small amount of water that is not necessary for flushing.

"It was a wacky idea that got people laughing and also made them aware that people pollute and people can conserve," said Mrs. Spetgong, a 44-year-old mother of two and a member of the town's Conservation Advisory Board.

"If the average family of four flushes a total of 20 times a day we would save 34 million gallons of water every year in Cherry Hill."

The project cost \$2,000—to buy 34,000 extra-hard beige bricks, the kind that won't break up in any kind of water, for every toilet in the town's 17,000 homes.

U.S. High Court Says Tenants
Can Sue If Blacks Barred

By John P. MacKenzie

WASHINGTON, Dec. 7 (AP).—The Supreme Court ruled unanimously today that apartment tenants have the same right as rejected Negro applicants to sue their landlords on charges of racial discrimination.

"The person on the landlord's blacklist is not the only victim of discriminatory housing practices," Justice William O. Douglas said for the court.

Justice Douglas said that the 1968 federal fair housing law recognized that whites may have the same legal stake in securing decent housing as the blacks who are the direct objects of racial bias.

Suit by Tenants

The decision, which reinstated a suit brought by tenants of a San Francisco apartment complex, was a victory also for the Department of Justice and Housing and Urban Development.

According to the government, broader access to the federal courts could enlist large numbers of "private attorneys general" to help undermine federal agencies enforce the law.

Private civil rights lawyers joined government attorneys in telling the high court that private suits by rejected black applicants would be far less effective than tenant suits. They noted that blacks may be forced by circumstance to abandon litigation after moving on and settling in housing where they are more welcome.

Although the case before the court involved only a large apartment complex, the reasoning of the court could extend similar rights to occupants of a tightly managed residential development.

Johnson Donates
Part of Ranch,
Home to Public

WASHINGTON, Dec. 7 (AP).—The ranch home of former President Lyndon B. Johnson and more than 200 acres of the Johnson Ranch in Texas are being donated to the public, the Interior Department has announced.

Interior Secretary Rogers C. B. Morton said that the National Park Service will begin work at once on a project to interpret the "Life of a President" in exhibits at the Johnson home and at other sites in Texas.

Mr. Johnson and his wife will continue to live in the home and tours will be limited to the exterior of most of the buildings on the ranch.

The donation by the former President includes 201.37 acres of his ranch, including the house and adjacent buildings and eight grazing and crop fields. The donated property includes a four-mile stretch along the north bank of the Pedernales River.

In 1969, Congress authorized the Lyndon B. Johnson National Historic Site, consisting of Mr. Johnson's boyhood home in Johnson City and his birthplace at Stonewall, which is on the eastern edge of the LBJ Ranch. The site was opened in early 1970 and has attracted 668,000 visitors, officials said.

DIAMONDS

You can save up to 50 percent on single diamonds at wholesale prices by ordering direct from Antwerp, the world's largest cut-diamond market. Give diamonds to your lady, buy for investment, for personal use.

Write airmail for price list or call us:

Joachim Goldenstein
THE DIAMOND CLUB ELDO

62 Polikstraat,
Antwerp (Belgium).
Tel.: (03) 33-09-82.

Gold Medal
THE DIAMOND CLUB ELDO
SINCE 1958

FREDDY

PERFUMES
GLOVES — BAGS — GIFTS
10 RUE AUVER, PARIS
SPECIAL EXPORT DISCOUNT
Phone: RUC. 78-88

you to it... cossetting you with unobtrusive care. So, for your next trip, fly with us, IBERIA.

All our transcontinental flights take you to Spain. And we know Spain better far better than anyone else. Remember, at IBERIA we are waiting for you with a world of the most exclusive information!

IBERIA
gives wings to your dreams

Mid-winter Dream

IB IBERIA INTERNATIONAL AIRLINES OF SPAIN 234 OFFICES IN 50 COUNTRIES

se palley
EHM BIRDS
meriden, paris 17-
d gouvion saint-cyr

CAB Chairman Says IATA's Afoot to Mass Air Market

WASHINGTON, Dec. 7 (Reuters).—Civil Aeronautics Board Chairman Scott Browne accused the International Association of Transport Airlines of failing to recognize and respond to the new market for air travel.

Socialists in Italy Pick New Leader

ROME, Dec. 7 (UPI).—The Italian Socialist party gave itself new leadership today in a move to shift the party a bit further away from the Communists and a bit closer to the government.

The Socialist directorate voted last night to elect Francesco De Martino as secretary, replacing the left-leaning Giacomo Mancini. The vote was 17 for Mr. De Martino, none for other candidates and 13 blank ballots. Mr. De Martino, a former minister, was elected to a seven-year term. He is a member of the party's executive committee. The vote was a surprise, as Mr. De Martino was not expected to be elected. The party's new leader is expected to lead the party towards a more moderate position, closer to the government.

Mr. De Martino's victory was seen as a sign of the party's move towards the center. He is a former minister and has a long record in the party. His election is seen as a sign of the party's move towards a more moderate position, closer to the government.

EC Civil Servants Threaten Stage Nine-Day Walkout

BRUSSELS, Dec. 7 (Reuters).—Tens of thousands of civil servants in the European Economic Community threatened today to stage a nine-day strike to protest against a proposed pay cut.

The strike would be the largest in the history of the EEC. It would involve civil servants in all member states. The proposed pay cut was part of a budgetary exercise by the EEC. The civil servants are demanding that the pay cut be reversed.

The strike would be a major test of the EEC's ability to handle such a crisis. It would also be a major test of the civil servants' loyalty to the EEC.

Funeral Services Held For Princess Sibylla

STOCKHOLM, Dec. 7 (Reuters).—Funeral services were held today for Princess Sibylla, daughter-in-law of Sweden's King Gustaf VI Adolf and mother of Crown Prince Carl Gustaf.

Princess Sibylla died of cancer last week. She was 64 years old. Her funeral was held in the royal chapel in Stockholm. She was buried in the royal mausoleum.

Bombs in Greece

ATHENS, Dec. 7 (AP).—Bombs exploded during the night under two American cars parked in an Athens suburb, police reported today. The cars were unoccupied and no one was injured.

for air travel is here and has a virtually unlimited future. "Yet the International Air Transport Association continues to develop fare machinery geared to times past. In my view, IATA has not responded," Mr. Browne said in his Wilbur and Orville Wright Memorial Lecture.

He said that IATA, which sets fares for the international scheduled airlines and is currently meeting in Geneva, has relied on a complicated system of discount fares bearing little relationship to cost for service rendered.

The CAB chairman said that this system of discount inevitably results in higher fares for regular passengers and inadequate earnings for the airlines themselves.

Mr. Browne called on IATA to come up with a more reasonable and less complicated system of airfare fares.

IATA should also consider membership for the non-scheduled charter airlines since both scheduled fares and charter rates are mutually affected, he said.

Would Lessen Demand Regulations favoring charter flights would lessen the demand for scheduled service in some areas, Mr. Browne said.

He said that there were too many international airlines and that it was either every country needed to have its own scheduled flag carrier.

It might be more efficient and more economical for some smaller nations to concentrate on non-scheduled charter services, which could be of greater benefit to economies heavily dependent on tourists, he said.

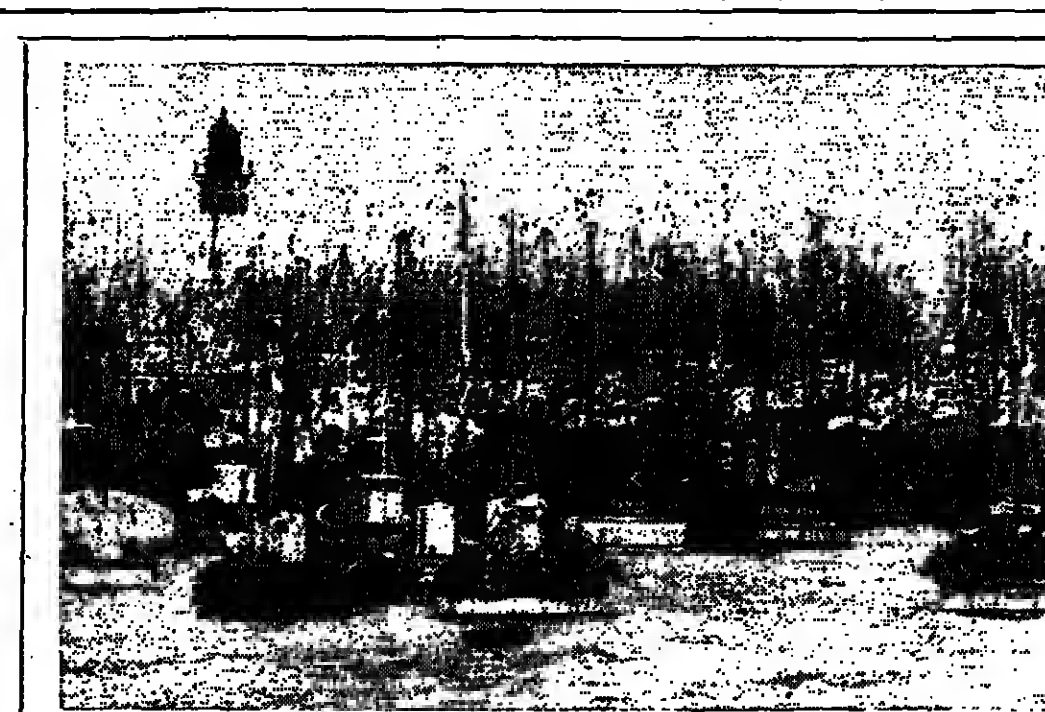
Blockade Charge By Allende at UN Is Denied by U.S.

WASHINGTON, Dec. 7 (UPI).—The State Department said yesterday that Chilean President Salvador Allende made "confusing and inaccurate" statements in his United Nations address and denied that the United States was engaged in an invisible blockade of Chile.

Asked for comments on Mr. Allende's recent speech, department spokesman Charles W. Bray said, "There were a number of references in that speech which we find confusing and inaccurate."

"We would deny, for example, that the United States is engaged in any invisible blockade, to use President Allende's own words," Mr. Bray said. "That there is no such policy is perhaps best exhibited by the fact that our exports to Chile in 1971 totalled \$270 million and our exports in 1972 appear to be running at about the same level," Mr. Bray said.

Concerning the drop in foreign credits and investment in Chile, Mr. Bray said, "It doesn't seem necessary to look for any exotic reason. It would be difficult to argue that the climate for foreign investment in Chile has deteriorated."



MAST TRANSPORT—Hundreds of fishing trawlers holed up at Guilvinec, a small port on the south coast of Brittany, waiting for a storm to pass, before heading out to sea.

Waldheim, Aide Deny Report of Growing Friction

UNITED NATIONS, N.Y., Dec. 7 (Reuters).—Secretary-General Kurt Waldheim and the head of the UN Environment Secretariat, Canadian Maurice Strong, today denied reports that Mr. Strong had resigned amid growing friction between the two men.

A UN spokesman said Mr. Waldheim had "complete confidence" in Mr. Strong. He said Mr. Waldheim planned to nominate Mr. Strong for the post of executive director of the Environment Secretariat which will be established with headquarters in Nairobi, Kenya.

Mr. Strong was said to be anxious to have his secretariat cut loose from the New York UN secretariat.

Mr. Strong, a self-made millionaire who worked as a youth in the UN security service, was appointed by U Thant as secretary-general of the environment conference held in Stockholm last June.

The conference recommended the creation of a permanent UN body to co-ordinate a world-wide attack on environmental problems and it was always assumed that Mr. Strong, whose dynamism and diplomacy were largely responsible for the Stockholm success, would get the top job.

Soviet Journalist Shuns Israel Visa Tax at \$20,000

MOSCOW, Dec. 7 (Reuters).—A Jewish journalist contacted by Sen. Hubert H. Humphrey, D-Minn., during the American's visit here last week said today that he would reject an exit visa to Israel offered by the Soviet authorities.

The journalist, Viktor Perelman, said his reason was a demand by the authorities for almost \$20,000 as compensation for his state-financed higher education.

In an open letter to the Soviet Internal Affairs Minister, Nikolai Shchekolov, he said the education tax was beyond his means and represented "a disguised form of refusal to let me emigrate."

Sen. Humphrey was understood to have telephoned Mr. Perelman and told him that he had discussed the emigration issue with Soviet officials. Mr. Perelman declined, however, to speculate whether Sen. Humphrey's intervention prompted the visa offer.

The journalist lost his job with Literaturnaya Gazeta, the writers' union weekly, after applying to leave for Israel.

Taiwan Refitting U.S. War Vessel

TSOYING NAVY BASE, Taiwan, Dec. 7 (AP).—The USS Maddox, one of two American destroyers that reported an attack by North Vietnamese ships and touched off the rapid American buildup in Indochina, is now in the Nationalist Chinese Navy.

Russia Said to Renew Curbs On Jewish, German Migrants

MOSCOW, Dec. 7.—Two election-season gestures to the United States and West Germany apparently have been withdrawn by the Soviet government, according to diplomatic sources.

In both cases, the Soviet government in October and November, relaxed its tight controls on emigration in what appeared to be efforts to improve the re-election chances of President Niko and West German Chancellor Willy Brandt.

Now, according to diplomats interviewed today, the Russians have clamped down on the flow of ethnic Germans to the West and reimposed the diploma tax that fell heavily on Jews seeking emigration to Israel.

The total of Jewish emigrants nevertheless continues to rise steadily and has passed 30,000, the expected target for this year, according to the sources. The total of German emigrants had appeared to be heading to the same height.

Between Nov. 1 and 19, the day Mr. Brandt scored a smashing electoral victory, the Soviet government allowed 1,588 citizens of German background to leave the Soviet Union.

Rush Is Over The three-week total was nearly half of the 3,300 who left in the first 11 months of the year. Only 1,145 were allowed out in all of 1971 and 340 in 1970.

The rush of emigrants was so heavy last month that for many days people were sleeping in the halls and basements of the West German Embassy waiting for transportation out of Moscow.

Now the flow of people to West Germany has fallen to "a trickle" of five to 10 a day, according to diplomats. Ulrich Sahm, the German ambassador, is known to have told Soviet officials he hopes the emigration will be stepped up again, but he has received no reply.

Mr. Brandt was highly favored to win re-election by Soviet leaders because of his policy of relaxing tensions and improving relations with all countries of the Eastern European bloc.

The Russians apparently understood the positive impact of releasing thousands of Germans, many of whom have been seeking to leave the Soviet Union for decades. Some of the German families have been in Russia for as long as 300 years. Most of them were brought into the country to improve its farming. They developed their own communities along the Volga River.

At the beginning of World War II, however, Stalin forcibly moved the Germans and other untrusted ethnic groups, such as the Crimean Tatars and Baltic nationals, to undeveloped areas of Central Asia and western Siberia.

New Australian Government Rules Out Knightly Honors

By Robert Trumbull

SYDNEY, Dec. 7 (NYT).—Gough Whitlam, the new prime minister of Australia, today took several steps to give his three-day-old Labor party government a more proletarian image.

To the disappointment of a number of distinguished Australians and their wives, who would have been addressed as "sir" and "lady" beginning Jan. 1, Mr. Whitlam abolished the custom of government nominations for British knighthoods and other royal honors.

He also gave up the British prestige car, a Bentley. He will keep the less expensive Ford Galaxie, produced by a Ford plant in Australia, that had been his official transport when he was the leader of the parliamentary opposition before the elections Saturday put Labor in power.

Bars Privy Council Mr. Whitlam also decided against accepting an appointment to the Privy Council in London, which would be his automatically as a prime minister of a country belonging to the British Commonwealth of nations under the British Crown. He is the first Australian prime minister to refuse the job, which would have made him an official adviser to Queen Elizabeth.

The new prime minister has instructed aides to draft a schedule of Australian awards for merit to replace the knighthoods and other British honors formerly conferred by the queen on the recommendations of the Canberra government.

The move meant the loss of an overnight upgrading in social status for Australians who already had been notified separately, as is customary, by the previous government that they would be nominated for knighthood by Queen Elizabeth in the New Year honors list.

However, under a political survival of the days when the present six Australian states were separate British colonies, the three states of New South Wales, Victoria and Queensland, which do not have Labor governments, still will submit names of distinguished citizens to the queen for knighthoods and other honors. But there will be no federal government nominations.

In another move toward social U.K., Iceland Deadlocked BRUSSELS, Dec. 7 (Reuters).—The British and Icelandic foreign ministers tonight held their second private meeting in 24 hours to discuss their deadlocked dispute on fishing limits. Informal British sources said after tonight's 20-minute discussion between Sir Alec Douglas-Home and Einar Sigursson that no new proposals emerged.

Diplomatic sources said the flow of Jewish emigrants has been running unabated all year toward a record total, and that many emigrants are paying the tax. Other educated Jews are escaping the tax control, apparently because of bureaucratic confusion or poor record-keeping.

Iran's 2,500th Anniversary Celebrations. The Persian Gulf. Snake charming, India.

Iran's 2,500th Anniversary Celebrations. The Persian Gulf. Snake charming, India.

Iran's 2,500th Anniversary Celebrations. The Persian Gulf. Snake charming, India.

Iran's 2,500th Anniversary Celebrations. The Persian Gulf. Snake charming, India.

Wally Findlay Galleries International new york-chicago-palm beach-bv. hilt 2, Av. Matignon, Paris-8

FIVE PRIMITIVES

ADAMOFF-MAIK NOVOA-OLLIVARY POUCKETTE

dec. 8 — jan. 3

Exclusive representative of 30 contemporary artists featuring

SIMBARI, KLUGE, SEINE, LE PRO

European masters impressionists, faves post-impressionists

Tel 225 70-74

Mon. thru Sat., 10 a.m.-7 p.m.

Humming electronic accuracy thanks to the balanced tuning fork

ETERNA:SONIC

Eterna Ltd, Precision Watch Factory, 2540 Grenchen, Switzerland

In the U.S.: Eterna Watch Company of America Inc., 315 Park Avenue South, New York, N.Y. 10010

In Canada: Henry Wills & Sons (Montreal) Ltd., 1240 Phillips Square, Montreal 117

GEMS

Investment or gift to a loved one? Purchase with confidence at the world's largest gem market. We carry size and quality required. 7 back guarantee. Certificate by registered American gemologist with 27 years experience.

air-mail indicating color-range and size desired.

Bangkok Gem Exchange, Bangkok, Thailand.

An Imperfect Peace

Reports from Washington and Saigon that the North Vietnamese are planning to hide much of their army in South Vietnam in Viet Cong units after a cease-fire should come as no surprise. It is only to be expected—if they agree to pull out their troops in the first place, which is not yet certain.

There is no use pretending that the agreement that Henry Kissinger is trying to hammer into final form in Paris is likely to produce lasting peace. It can hardly do so since it fails to provide a workable formula for resolving the political issues which lie at the heart of the long Vietnamese conflict. While President Nixon and his foreign policy aide talk of peace, both sides in Vietnam are frantically making preparations to pursue the struggle.

President Thieu has made clear his intention to crack down harshly on Communist activities in the country after any armistice, threatening imprisonment or death to Communist agents. He has moved to extend military control over the government down to the lowest level in the hamlets. It would be naive to assume that the Com-

munist do not have plans of their own for continuing the fight, once the remaining American forces are gone. If the settlement does not permit North Vietnamese troops to remain in their present unacknowledged positions, it is inevitable that many will simply melt into the South Vietnamese countryside, as they have done in the past. Such a dispersal, or even fresh infiltration through the porous Laotian and Cambodian borders, would be virtually impossible to police. This is one reason why Canada and Indonesia are so reluctant to join the proposed international commission to supervise the cease-fire.

One can hope that the Vietnamese, left to their own devices, will soon find a way to reach an accommodation that will finally end decades of bloodshed. But it is too much to expect a tidy end to a messy war.

About the best that Mr. Kissinger can hope to achieve is a period of grace in which to extricate remaining American troops and prisoners from the conflict. For that the American people would be thankful. They should not be misled to expect much more.

THE NEW YORK TIMES

Chile's Outburst—No Boon for U.S.

At the United Nations, beleaguered Chile's beleaguered president did—unfortunately—the easy popular thing. Eschewing the more sober manner in which he has often addressed his own people, Mr. Allende indulged in dubious and gaudy rhetoric, accusing American corporations and banks and American influenced lending agencies of "serious aggression" against Chile and his minority Marxist government. That Mr. Allende felt compelled to adopt a style so deliberately provocative to the United States can perhaps be explained as his way to prepare his entrance to Moscow, where he went in order to ask for the large credits denied him elsewhere, or as his way to help his chances next March in the congressional elections he must win to stay in power. Mr. Bush, the American ambassador, did well to turn the other cheek and pay a courtesy call on the Chilean leader before he left New York.

Stripped of inflammatory tinsel, the issue posed by Mr. Allende is, of course, legitimate. It is not American "aggression." It is the whole complex of sticky problems created by a small one-commodity country's effort to make domestic changes that touches the interests of its major customers, investors and creditors. Chile presents merely the latest and currently the rawest case in which this complex of problems has produced not only bilateral political tension—that will presumably pass—but acute economic distress and uncertainty for the smaller country involved. Chile's attempt to organize a world copper producers' cartel and to develop alternative markets and exports and credit sources may some day give it other choices than those it

has available today. At the moment, its prospects—and that may include Mr. Allende's own political prospects—are not blindingly bright.

There is no cause for American satisfaction in any of this. The current atmosphere serves neither American corporate interests in Chile, or in other Latin American countries of the left, nor the broader American interest in easing and better equalizing the terms of the partnership which geography and self-interest force upon all states in the hemisphere. The past attitude of certain American officials and companies has no doubt given Mr. Allende certain grounds to claim injury. It is also true that as the larger and more powerful party by far, it becomes the United States to show more equanimity than it always has. Still, Mr. Allende's grandstand play at the United Nations has not made it any easier for Mr. Nixon to try to do the right thing by Chile. Nor is it evident that Mr. Allende has done the right thing by Chile.

Mr. Nixon in his second term presumably would like to build in the small countries on the achievements he realized in his first term in the big countries. It is likely that he hopes to follow up his political successes on the international stage with movement towards a more just and cooperative world economic order. These are surely among the larger purposes of the reorganization Mr. Nixon has undertaken of the U.S. foreign policy structure. They are necessarily among the larger purposes any enlightened history-minded President would wish to serve.

THE WASHINGTON POST

A New Hijack Plan

Citing a "new breed of hijackers . . . unequalled in their ruthlessness," the Nixon administration has taken tardy but welcome steps to tighten security at the nation's airports.

The new measures announced by Transportation Secretary Volpe in many respects closely parallel proposals adopted by the Senate last September but defeated in the House, partly as a result of administration opposition. They provide for electronic screening of all boarding passengers, for federal purchase of screening devices, for the positioning of armed law enforcement officers at passenger checkpoints and for direction of the over-all security program by the Federal Aviation Administration.

The Volpe order differs from the Senate plan in that it leaves the policing to local officials, instead of a new federal security

force, and is vague on the financing of this aspect of the program. While the Senate would have financed its federal security force from general revenues, Mr. Volpe said only that the cost of the expanded local security forces "should be recovered from the traveling public," apparently through increased air fares.

It is questionable whether primary responsibility for financing and administering a federal program designed to enforce federal laws should be left with the airlines and local authorities. However, the Volpe plan deserves a trial. It should be closely monitored by Congress, especially the enforcement provisions. It still may prove preferable in the interest of discipline and uniformity to create a federal airport security force, possibly financed through the existing Federal Aviation Trust Fund.

THE NEW YORK TIMES

International Opinion

Green Light From NATO

The chiefs of staff, defense ministers and foreign ministers of NATO, holding their winter meeting this week, will be marking a historic turning point in one area. They will give the alliance's governments the green light for diplomatic recognition of East Germany, effective from the date of signing of the "basic treaty" between West and East Germany. The details of how this "normalization" proceeds is a bilateral

matter, with the United States, Britain and France reserving their special rights and duties as victors of World War II. Bonn would like to see the NATO communiqué again carry a comment to the effect that the aim of peaceful reunification has not been completely relinquished. But in any case the Soviet Union will have scored a clearcut policy victory when NATO publicly acknowledges the existence of two equal German states.

—From the Neue Zürcher Zeitung (Zurich).

In the International Edition

Seventy-Five Years Ago

December 3, 1897

PARIS—Austria-Hungary's various nationalities have been likened to the stones and the Germans to the cement, which constitute the edifice of the dual monarchy. The weak point of the structure is its foundation. Instead of a solid basis of mutual understanding, the Empire has only the uncertain soil of racial jealousies to rest upon. Sooner or later, these conflicting elements are sure to develop fissures in the building.

Fifty Years Ago

December 8, 1922

CHICAGO—In an enthusiastic meeting at the Chamber of Commerce in honor of General Pershing, the members heard the chief of the armies of the United States join Brigadier-General Charles G. Dawes in urging war against radicals and radicalism. Two thousand representatives of the city's military, commercial, industrial, patriotic and civic organizations cheered themselves hoarse in the wildest demonstration since the armistice.



The New American Frontier?

By C. L. Sulzberger

PARIS—U.S. economic dynamism is expanding everywhere and Soviet Russia is the new American frontier, ready for massive development by U.S. enterprise and anxious to cooperate in this grand endeavor. This, at any rate, is the opinion of Jean-Jacques Servan-Schreiber, 49-year-old French editor-writer-politician, publisher of the highly successful magazine L'Express, author of a best-selling book "The American Challenge" and president of the opposition Radical party.

J-J S-S, as he likes to be known, is pessimistic about the European Common Market's future because "it has no unified policy and is only a commercial agreement." In the absence of a strong decision-making body he sees its chances of success gradually vanishing. This has already been demonstrated in the realm of aviation where Europeans originally started in a good position.

He argues: "The Americans are easily winning the competition. Now they are conquering the Eastern market, above all the Soviet Union. The Russians have decided 100 percent to open themselves to Western industrial development. But they are doing this with the United States, not Europe. Russia is the new West for America. The Soviet Union is a very rich country to develop. And the situation in China resembles that of Russia."

'Americans Winning'

"Russia is going to be exploited by America which is moving in to do the job that Western Europe could have done. Americans are winning the game everywhere. Europe's failure to unify politically has produced this situation. I am not talking about an economic nationalist. Nixon has shown that he is the great nationalist. The alliance of Nixon and George Meany is the dominating factor in the United States and 'Buy American' is the dominating slogan."

"Russia is your new frontier. There is an accelerated trend toward expansionism in America. But this is economic, not military. The Americans have understood that there is no use having troops on foreign soil; it is much more useful to have investments in the Ukraine."

For Servan-Schreiber, the Common Market's initial test came in aviation and it failed. He says: "This could have developed easily in a truly integrated Europe but now the United States is cornering the market. All the European potential is restricted by nationalistic efforts."

"France had produced the Car-

vella which was a great success. It could have moved on from there. The British made excellent planes and engines and the Germans also had a good potential. Together, these facilities could have developed as a real European competitor. But they worked separately. There has been no European effort and we are losing all the markets to American companies."

"The European Airbus, a good plane and competitive, was developed for the European market—with American engines. President Nixon insisted that BEA (British European Airways) should use the U.S. TriStar in order to save Lockheed manufacturing facilities. At the same time he applied pressure on Japanese Frontier Tanaka to use the TriStar."

"The consequence is that the Airbus has just been born but its

market is almost dead. Similarly the Anglo-French Concorde is unsalable and economically unsound. And, because France is going into the space industry on a nationalistic basis we are going to lose our shirt there."

"All this involves tens of thousands of jobs. And the repercussions will be enormous. Ultimately the United States will be blamed for the loss of all those jobs in aviation factories."

Servan-Schreiber partly tempers his gloom by saying that enormous transnational corporations now developing transcend the possibilities of either America or Europe alone and must some day encourage transnational political thinking. But this remains far off and even labor unions are nationalistic today.

He hopes Western development-

help to Eastern lands will erode ideological and political barriers, that hotels built with Western money, new automobile factories, the spread of knowledge by television and satellite transmission, will eventually produce new understanding. He adds:

"The facts of life will crumble ideological walls which no longer make sense. The Americans will develop Russia. That is already plain. And one can also see America using Russia's excellent brains to help this investment along."

This is a fascinating vision, described with precise clarity. Whether it is an unreal dream or a realistic forecast, good for Americans—is for future decades to decide. But one thing is non-debatable: Economic nationalism as developed earlier this century is both impractical and dead.

Impact of Triangular Power

By Eugene V. Rostow

NEW HAVEN.—The constructive results of China's turn to the United States during the last year are beginning to be visible, even in Vietnam, Korea and the Middle East. At long last Soviet policy shows signs of restraint, which have been reinforced by a disastrous harvest and the necessity of relying on the United States for food.

In considering the impact of these events on the future of American foreign policy, it is vital that public opinion realize what brought about the fundamental change in the Chinese position. It was not a response only to the charm of Henry Kissinger, but to the threat of some fifty Soviet divisions in Siberia and Soviet penetration of South-East Asia from the Middle East, the Red Sea and the Indian subcontinent. The catalyst for the momentous shift in Chinese policy was not the carrot of American offers, but forward regularly for at least six years, but the stick of Soviet expansion, based on staggering military budgets, and on a political will in the imperial mood.

Chinese Interest

The shift occurred because the United States is the only power on earth that could deter a Soviet attack on the Chinese regime and on Chinese national autonomy. The principal Chinese preoccupation in dealing the communistic issue after the 1970 Nixon visit to China was the passage in which China and the United States stated their joint opposition to Soviet hegemony in Asia.

The Chinese interest, therefore, is in a stable American presence in the Far East; in Vietnam and Chinese settlements compatible with American interests and commitments; and in a strong Europe and a strong Japan firmly backed by the United States. The last thing China wants is to have the United States defeated and humiliated in the Far East, and to withdraw into bitter isolation. In effect, China wishes to achieve a relationship with us parallel to that of Japan.

The recent agreement between China and Japan should be viewed in this perspective. So long as American policy remains both firm and conciliatory, China, Japan and the United States have an equal interest in the normalization of relations between China and Japan.

The Soviet interest is quite different. The Soviet Union has gone as far as it dared to frustrate the rapprochement between China and the United States. It backed Hanoi's all-out offensive last spring, and is still sending Hanoi significant military supplies. If the Soviets prevail in Vietnam, pro-Soviet forces will gain strength in China, and the peaceful promise of China's new policy may well fade.

tion is not an alliance against the Soviet Union. The goal of American policy should be equally amicable relations with both China and the Soviet Union, based on reciprocal respect for the rule of public order codified in the United Nations Charter.

That goal can be achieved most effectively through a process of more deeply consolidating our crucial alliances with Western Europe and Japan.

President Nixon sometimes seems to hint that a loosening of those alliances could guarantee an equilibrium of peace in the world, by some natural law of celestial gravitation that would keep Europe, Japan, the United States, the Soviet Union and China in orbits that did not intersect.

Nuclear Autonomy

Nuclear autonomy—as the experience of China attests—cannot assure the security of Western Europe or Japan without American protection. The Soviet Union is simply too far ahead, and its present policies too aggressive, to be otherwise deterred. But the American nuclear umbrella over Europe and Japan has no plausibility without the continuing presence of American conventional forces.

Those forces are essential to give the American President viable non-nuclear options in the event of new crises of the kind which have been so frequent since 1945 in Europe, on the flanks of Europe, and in areas critical to the security of Japan. No one can responsibly propose forcing the President to choose between surrender and the use of nuclear weapons in dealing with crisis situations of this order. For this reason alone, plans of American disengagement from Europe or Japan are a dangerous fantasy.

Eugene V. Rostow, former Under Secretary of State, is Sterling Professor of Law and public affairs at Yale. This article is from the special features service of The New York Times.

Sadat Talks About the Soviet Factor

By Rowland Evans and Robert Novak

CAIRO.—Egyptian President Anwar Sadat hopes for "new relations" between Cairo and Moscow, so badly fractured July, but he believes Moscow commitment to deterrence in Washington overwhelms any other aspect of Kremlin policy. In short, although he echoes his words in an interview with us here in diplomatic nicety, Sadat and Egypt have no use for how much muscle the Chairman, Leonid Brezhnev, uses to champion Egypt's case when he meets with President Nixon next spring.

If that prospect does change, and change it will, Sadat may abruptly move country out of the somnolent twilight phase which started in August 1970. The change or shatter the cease-fire by a spring.

No Consensus

It was clear, Sadat told us a prior of his modest presidential residence facing the Nile, that that Egyptian-Nixon summit reached no consensus on Middle East.

Soviet reluctance to press Mr. Nixon on the quest of Israel's continued occupation of the Egyptian Sinai Peninsula was perhaps unavoidable, Sadat told us. He fully understood it. He was committed to re-education of Mr. Nixon (and he added, was he).

Hence, the Middle East, with the Americans and the Russian champion competing clients, mated in limbo.

But Sadat will not stay in limbo. The Egyptians have been waiting for a sign of American action. Such a sign, he felt, would suggest a probability that Moscow will play a similar hands-off policy with ally in Egypt. Likewise, Moscow has on long-range weapons. It clearly shows Soviet intent that Egyptian offensive power might bring on a U.S.-Soviet confrontation.

Avoiding specific allusion to it, in our talk, the massaging, mannered Sadat repeatedly stressed his conviction that, in today's post-summit world, Moscow inexorably led to Washington. So long as the present Kremlin leadership remains, it will permit peripheral crises such as Vietnam and the Middle East threaten that tie despite the U.S. Soviet investment in the Arab world.

His Trump Card

None of this, however, explained the apparent irrationality of drastically reducing Soviet influence here in the midst of Mr. Nixon election campaign. Sadat gave his trump card to the United States—inviting Soviet technicians out of Egypt as the White House has demanded since 1970—when Mr. Nixon could not respond. Sadat's favor because of his campaign courtship of the Jew vote.

Sadat's long explanation to boiled down to one essential: "The history before '70" in Soviet arrogance and repeated Soviet failures to deliver promised weapons. In short, the Egyptian Arab was on the edge of rebellion. The Russian military played a master on such sovereign matters as security, control military bases and handling equipment.

But having played his trump card, Sadat has yet to dent state any political gain from the removal of new American presence on Israel. That fact is heavily reinforced by the many long quarters of the late President Gamal Abdel Nasser's decision to August 1970 cease-fire.

For one example, Minister Mahmoud El Zayat, head of the Arab League, but explicitly warned cease-fire would be against Egypt. Once Canal toll was ended, the States would diddle the commands new respect.

Desperate Effort

But as Nasser played that card, Sadat has now played both Moscow and Washington are chiding Egypt. Sadat is effect to end the chiding may now risk thousands of allies by a renewal of hostilities against prohibitively superior Israel.

As Sadat told us: "It is better to die with one's head in the sand than live slithering on the ground. That may be only epigrammatic rhetoric, typically Arab. It implied threat requires a scrutiny."

-1974- Stocks and Bonds	S% 100%	P/E High Low Last.	Net C/P
High Low Div. in \$			
64 8 6 4 Reserve	73	9's 8's 7's	
-1972- Stocks and Bonds	S% 100%	P/E High Low Last.	Net C/P
High Low Div. in \$			
34's 12's Limestone 32r	83	15's 14's 12's - 14	
-1972- Stocks and Bonds	S% 100%	P/E High Low Last.	Net C/P
High Low Div. in \$			
6's 33 Outboard 1/2B	35	13 43's 45's 42's	

هكذا عينه الأصل

iscard Reveals Plan or Attack on Inflation

By Carl Gewirtz

PARIS, Dec. 7 (AP).—A vicious attack on steeply rising consumer prices and the on-feeding overabundance of money and credit was launched today by the French government.

The program, approved at cabinet meeting and presented to parliament, calls for a 10 percent increase in the value-added tax equal to 100 francs (about \$1.5 billion) and a massive state bond to soak up the extra purchasing power.

Measures are aimed at slowing inflation as an issue as the government prepares for next year's election and at the same time doing nothing to upset the strong economic performance.

Price cuts expected in tax cuts, some of which are to be passed along to consumers in the form of price and should result, minister said, in industrial prices falling some 2 percent and agricultural products by 1 percent and beef prices by 3 percent.

Not affected by the tax cuts are "invited" to hold prices steady for the next months.

The tax cuts from the public on a massive scale that would change prices higher, the government said, is a loan of some 100 francs. The exact size of the loan and the date it will be set early next year, value of the bond will be to the Common Market's account, which means shareholders need not worry about devaluation of the franc.

ch Agree
Freeze on
ges, Prices

PARIS, Dec. 7 (Reuters).—The government has a "social contract" with unions and trade unions to hold prices steady for the next months.

Representatives of all three sides of the agreement yesterday said the agreement was in harmony with the new price control introduced by the government.

The agreement was reached after negotiations during sessions in the unions at a threatened the success of the agreement.

The agreement wage rises limited to 3.5 percent per year, but there will be no price increases for workers in the public sector.

The government also provides for possible, inevitable increases will be spread out over the period. Firms making high profits will be kept their prices below the ceiling.

The pact the government seeks to stimulate economic activity and to keep the economy from slipping into a recession.

France will reduce the growth of its money supply from 20 percent this year to 15 or 16 percent next year. This will be achieved by asking banks to limit the growth in their loan business to certain fixed percentages at risk being penalized.

The banks, which in recent weeks have raised interest rates about 1 percentage point following increases in their obligatory reserves as well as government-administered interest rates, will be enjoined from making further increases. Meanwhile, the interest paid on savings accounts will be increased by half a point.

While rejecting government-imposed controls on wages or prices, Mr. Giscard d'Estaing called on labor and management to hold wage increases to 6 percent next year while the government will aim to keep the rise in prices to 4 percent. This would guarantee a 2-point gain in workers' purchasing power. Should prices rise more than the goal, wages will be allowed to rise by the same amount, thus guaranteeing the increase in purchasing power.

In response to a question, the minister said that the unions had not been sounded out on this idea in advance.

Wages are currently rising about 12 percent a year while prices are climbing about 7 percent.

The immediate reaction of French bankers was positive. "A comprehensive program," said an economist for a state-run bank. "Politically obvious and technically good," said an official of a private bank. "This is the most effective way of dealing directly with the problems. Lowering prices on meat, bread and pastries," he added, "will have heavy political impact."

Shift on Taxes

However, this banker sees the lowering of the value added tax (to the level existing elsewhere in Europe, Mr. Giscard d'Estaing said) as the first step to shifting the tax burden from heavy reliance on indirect means to greater reliance on personal income taxes. But that kind of tax reform, he added, will come after the national elections.

The government's plan calls for dropping the value-added-tax rates on Jan. 1, with the 23 percent rate dropping to 20 percent (luxury items and industrial goods) and the 7.5 percent rate to 7 percent (mostly food). The tax on beef will be suspended altogether for the first six months of the year and the tax on pastries will be cut to 7 from 17.5 percent during the same period.

Food prices have been the fastest rising component in the consumer price index.

Mr. Giscard d'Estaing explained at length that the program was aimed at leaving the economy's overall performance intact. (It is a somewhat similar situation in 1963, serving as President de Gaulle's finance minister, Mr. Giscard d'Estaing put together a stabilization program that many people later claimed set the ground of economic discontent that led to the May 1968 confrontations.)

The minister noted that the economy's "accelerated growth" is continuing and revised upward to 5.8 percent the volume of the estimated growth in this year's gross national product. Only two months ago, the estimate had been revised upward to a 5.5 percent rate. The 5.8 percent rate, forecast for next year, will also have to be raised, he added.

FINANCIAL NEWS AND NOTES

BSN, Danone Reportedly Eye Link

Boussais-Souchon-Neuvais (BSN), and Danone are expected to announce agreement soon that could lead to a merger and to France's largest food group. Trading in the shares was halted by the Paris Bourse pending a joint announcement Friday. Danone, capitalized at 280.2 million francs, is the nation's biggest dairy concern with annual sales of about 1.7 billion francs. BSN is a major glass maker, as well as brewer, producer of mineral water, soft drinks and baby foods. It is capitalized at 158.5 million francs and reported consolidated sales of 4 billion francs last year. Annual sales of BSN's food division and those of Danone would amount to about 3 billion francs. Industry sources said that recent heavy British acquisitions in the French food industry have prompted the two firms to negotiate.

Fiat Plans Factory in Brazil

Fiat will present a plan early next year to build a 2,000 million auto factory in Brazil. Francesco Rota, a vice-manager of Fiat, has submitted preliminary plans for the project to be built near Belo Horizonte. It will make cars for export and the Brazilian market. Fiat currently makes tractors in Brazil and has said it will increase production. Brazil's fast-growing motor vehicle market currently is dominated by

a subsidiary of Volkswagenwerk followed by subsidiaries of General Motors, Ford and Chrysler.

Amerasia Hess Sets Write-Off

Amerasia Hess directors have authorized charges against earnings of around \$116 million before taxes that will result in reducing 1972 earnings from operations by about \$60 million, or \$1.63 a share. The company previously reported net income for the nine months, before extraordinary items, of \$85 million, or \$1.78 a share. It says \$58 million of the pretax charges are provisions for anticipated losses under long-term fixed-price contracts to supply residual, or extremely heavy, fuel oil to two New York State electric utilities. The remaining \$58 million results primarily from a change in the method of accounting for undeveloped oil and gas leases and from the write-off of the unamortized cost at certain inactive and noncommercial oil and gas leases.

U.S. Vehicle Prices Moving Up

Chrysler Corp. has raised its prices an average of another \$40, or 1 percent, using the balance of the \$60 authorization it received from the Price Commission in mid-October. The action came two days after General Motors put into effect a \$54-a-vehicle, or 1.2 percent, increase that it was allowed last Friday.

After Two Months in Office

Krupp Chairman Resigns in Policy Row

From Wire Dispatches

ESSEN, West Germany, Dec. 7.—Juergen Krackow, managing chairman of the giant Krupp industrial concern, has resigned after only two months in office following policy disagreements, the company announced today.

The statement said Mr. Krackow's departure resulted from "differing views on matters of conduct of the concern, especially personnel problems."

Mr. Krackow, 49, joined Krupp on Oct. 1 this year after the resignation of Guenter Vogelsang, whose action also reportedly followed differences over management policy.

Succeeding Mr. Krackow from next Jan. 1 will be Ernst-Wolfgang Mommsen, who has been connected with the German steel industry since before World War II. Mr. Mommsen, 61, has been working for the government for the past two and a half years in an unpaid post as state secretary.



Juergen Krackow

The company failed to give details of the reasons for Mr. Krackow's departure. In the preceding resignation, Mr. Vogelsang was understood to have

clashed with Berthold Beitz, chairman of Krupp's supervisory board.

Mr. Beitz had been the company's general manager under the late Alfred Krupp von Bohlen und Halbach, the last sole owner of the steel giant.

When Mr. Krupp died in 1967, Mr. Beitz was appointed to the presidency of the Krupp Foundation. But four years later he regained a dominant position by being chosen chairman of the supervisory board. Mr. Vogelsang's resignation followed.

Mr. Krackow previously had won acclaim for turning Krupp's ailing shipbuilding division, AG Weser, into one of the most profitable units of the diversified Krupp enterprise.

Mr. Mommsen had been chairman of Thyssen-Rohrwerke AG, a subsidiary of the August Thyssen iron and steel combine, before joining the government.

One Dollar—

LONDON (AP-DJ).—The rate of the dollar on the major international exchange:

	Today	Previous
ster. (per \$)	2.453	2.449
Belg. fr. (100)	44.21-23	44.18-19
Belg. fr. (100)	44.08-09	44.04-05
Deutsche mark	3.197-79	3.194-45
French franc	6.565-65	6.562-50
Swiss franc	26.75-45	26.72-33
Fr. fr. (100)	5.08-05	5.082-78
Fr. fr. (100)	5.08-05	5.082-78
Goldfr. (100)	3.220-25	3.220-25
Israeli pound	4.20	4.20
Libra	54.20-25	54.15-20
Swiss franc	21.45-48	21.42-45
Schilling	23.11-12	23.11-12
Sw. krona	4.715-49	4.715-49
Swiss franc	2.710-05	2.710-05
Yen	361.10	361.10

At Paris: 2: Commercial.

Prices Rise .6% in U.S. In November Wholesale Index Gain Is 7% at Annual Rate

By Peter Milius

WASHINGTON, Dec. 7 (AP).—With farm and food products in the lead, as usual, wholesale prices leaped ahead at an annual rate of 7.2 percent last month, the Labor Department reported today.

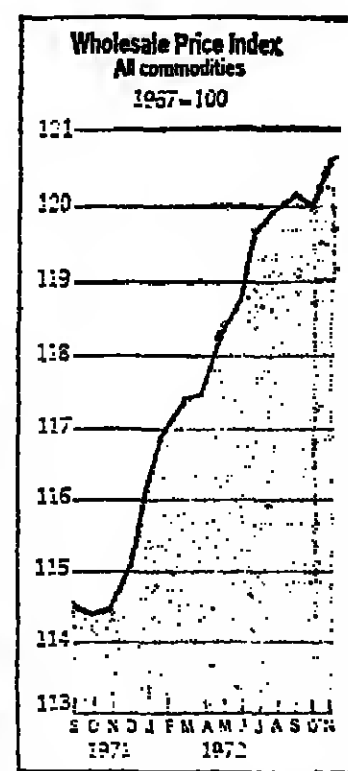
The price rise for the month—0.6 percent both before and after seasonal adjustments—lifted the department's wholesale price index to 5.4 percent above its level of a year ago, the point where wage and price controls began.

That meant that wholesale prices have been rising faster in the first year of controls than they did in the first eight months of 1971, before President Nixon imposed his wage-price freeze.

At Camp David, Md., however, where the President was in session with advisers on the pending federal budget, press secretary Ronald L. Ziegler said: "I am told by those who assess these things that we do not regard the November increase as a lessening of progress in the fight against inflation."

He said that the administration has "made significant strides in bringing the rate of inflation down," and that "we feel the economy is healthy today."

Farm product and processed food prices make up about a fourth of the wholesale price index, are its most sensitive sector politically, and yet the sector



Dow Soars To a Record Closing High

Market Firms Despite
Wholesale Price Gain

By Vartan G. Vartan

NEW YORK, Dec. 7 (AP).—The Dow Jones industrial average and other leading market indicators forged to fresh peaks today on the heels of yesterday's record-shattering session for New York Stock Exchange prices.

The Dow industrials, ahead by more than 2 throughout the day, finished at 1,033.34 with an advance of 5.80.

Volume was a respectable 19.32 million shares, climbing slightly from yesterday's 18.81 million. What made today's gain all the more impressive was that it took place in the face of a Labor Department report showing an increase in wholesale prices during November.

If the market were vulnerable or looking for an excuse to "sell off," commented one Wall Street trader, "that wholesale-price report would have offered a perfect excuse."

Standouts in the 30 Dow industrial, were Eastman Kodak, rising 3 1/4 to 145 3/8, and Sears, Roebuck, moving up 2 3/4 to 116 3/4.

Kodak officials noted that sales gains in the current quarter are greater than the percentage of its increases during the first nine months of this year.

Sears, whose directors raised the year end extra dividend in November, is the nation's biggest retailer and government reports show a surge in retail sales.

Gamble-Skogmo climbed 2 5/8 to 34 3/8. It plans to invite tenders for 500,000 shares of its common stock at \$35.50 a share.

Prices worked mostly higher in moderately active trading on the American Stock Exchange. The Amex index rose .15 to 26.75, but declines edged advances, 473 to 475. Turnover was 4.71 million shares compared to 4.74 million yesterday.

Bond prices moved slightly lower in moderately active trading in a day highlighted by the Federal Reserve's sale of \$150 million in Treasury bills far the account of a customer.

Dollar 'Float' Is Cleansed By a Double Intervention

OTTAWA, Dec. 7 (AP-DJ).—As if the world of international finance were not complicated enough, the Canadian government has come up with its own bewildering action on its money market of the floating Canadian dollar. That is, says Finance Minister John N. Turner, two dimes make a clean.

He said at a press conference that the Bank of Canada intervened recently in money markets to prevent the value of the Canadian dollar from going down too fast. It does this by using part of its big holdings in U.S. dollars to buy Canadian dollars.

However, Mr. Turner noted, earlier this year, when the Canadian dollar was going up too fast, the central bank bought about 500 million U.S. dollars to take off some of the pressure.

What this means is that Washington cannot accuse Ottawa of a "dirty float," Mr. Turner said with a straight face. "We have intervened on both sides; therefore it's a clean float."

In the lexicon of international finance, a "clean float" means that the money market alone determines a currency's value, while a "dirty float" means that the central bank steps into the open market and uses its own money to prevent the currency from rising or falling too fast.

As part of its quest for international monetary reform, Washington has been pressing Ottawa to repeg the dollar to a fixed value in relation to the U.S. dollar. Ottawa told Washington to mind its own business and said there was nothing wrong with letting a currency float as long as the float was clean.

Canada unpegged its dollar from its official rate of 92 1/2 U.S. cents in June 1970. It is now trading at about 98.9 U.S. cents.

Earnings Reports

Company	1971	1972
Firststar Tire & Rubber		
Revenue (millions)	774.7	985.9
Profit (millions)	44.69	32.83
Per Share	0.73	0.56
Year		
Revenue (millions)	3,681.0	2,433.6
Profit (millions)	135.77	120.26
Per Share	2.86	2.07
Teledayne		
Revenue (millions)	317.0	302.8
Profit (millions)	13.99	14.39
Per Share	0.42	0.41
Year		
Revenue (millions)	1,216.0	1,301.9
Profit (millions)	57.44	54.18
Per Share	1.67	1.53

This advertisement is neither an offer to sell nor a solicitation of an offer to buy these securities but appears as a matter of record only.

2,000,000 Shares

Pacific Gas and Electric Company

8% Redeemable First Preferred Stock
\$25 Par Value

Dean Witter & Co. Incorporated	Blyth Eastman Dillon & Co. Incorporated	Kuhn, Loeb & Co.
Dillon, Read & Co. Inc.	The First Boston Corporation	Merrill Lynch, Pierce, Fenner & Smith Incorporated
Lehman Brothers Incorporated	Goldman, Sachs & Co.	Halsey, Stuart & Co. Inc.
Drexel Firestone Incorporated	Lazard Frères & Co.	Loeb, Rhoades & Co.
Jornblower & Weeks-Hemphill, Noyes Incorporated	Smith, Barney & Co. Incorporated	Stone & Webster Securities Corporation
Paine, Webber, Jackson & Curtis Incorporated	White, Weld & Co. Incorporated	Bache & Co. Incorporated
Wertheim & Co. Inc.	Reynolds Securities Inc.	Walston & Co., Inc.
E.F. Hutton & Company Inc.		

All of these securities having been sold, this announcement appears as a matter of record only.

NEW ISSUE

\$35,000,000

Mexico

(United Mexican States)

8 1/8% External Sinking Fund Bonds Due December 1, 1997

Interest payable June 1 and December 1

Merrill Lynch, Pierce, Fenner & Smith Incorporated	Banco Nacional de México, S.A.
The First Boston Corporation	Kuhn, Loeb & Co.
Blyth Eastman Dillon & Co. Incorporated	Dillon, Read & Co. Inc.
Goldman, Sachs & Co.	Halsey, Stuart & Co. Inc.
Loeb, Rhoades & Co.	Paine, Webber, Jackson & Curtis Incorporated
Smith, Barney & Co. Incorporated	White, Weld & Co. Incorporated
E. F. Hutton & Company Inc.	W. H. Morton & Co. Incorporated
Shearson, Hammill & Co.	Dean Witter & Co. Incorporated
Bateman Eichler, Hill Richards Incorporated	Bear, Stearns & Co.
Burnham & Company Inc.	Dain, Kalman & Quail Incorporated
Harris, Upham & Co. Incorporated	Hayden Stone Inc.
Nomura Securities International, Inc.	Paribas Corporation
R.W. Pressprich & Co. Incorporated	The Robinson-Humphrey Company, Inc.
L. F. Rothschild & Co.	UBS-DB Corporation
	G. H. Walker & Co. Incorporated
	Walston & Co., Inc.
	Reynolds Securities Inc.
	McDonald & Company
	Piper, Jaffray & Hopwood Incorporated
	Roosevelt & Son Incorporated

New York Stock Exchange Trading

-1977- Stocks and Sts.

High/Low Div. in \$ Wks. P/E High/Low Last Change

(Continued From Page 8)

75 14	SerraPac .35	25	15	1624	14	1404	+	14		25 18	TeoPac .25	18	4	320	210	224	+	14	
76 14	SerraPac .35	25	15	1624	14	1404	+	14		26 18	TeoPac .25	18	4	320	210	224	+	14	
77 14	SerraPac .35	25	15	1624	14	1404	+	14		27 18	TeoPac .25	18	4	320	210	224	+	14	
78 14	SerraPac .35	25	15	1624	14	1404	+	14		28 18	TeoPac .25	18	4	320	210	224	+	14	
79 14	SerraPac .35	25	15	1624	14	1404	+	14		29 18	TeoPac .25	18	4	320	210	224	+	14	
80 14	SerraPac .35	25	15	1624	14	1404	+	14		30 18	TeoPac .25	18	4	320	210	224	+	14	
81 14	SerraPac .35	25	15	1624	14	1404	+	14		31 18	TeoPac .25	18	4	320	210	224	+	14	
82 14	SerraPac .35	25	15	1624	14	1404	+	14		32 18	TeoPac .25	18	4	320	210	224	+	14	
83 14	SerraPac .35	25	15	1624	14	1404	+	14		33 18	TeoPac .25	18	4	320	210	224	+	14	
84 14	SerraPac .35	25	15	1624	14	1404	+	14		34 18	TeoPac .25	18	4	320	210	224	+	14	
85 14	SerraPac .35	25	15	1624	14	1404	+	14		35 18	TeoPac .25	18	4	320	210	224	+	14	
86 14	SerraPac .35	25	15	1624	14	1404	+	14		36 18	TeoPac .25	18	4	320	210	224	+	14	
87 14	SerraPac .35	25	15	1624	14	1404	+	14		37 18	TeoPac .25	18	4	320	210	224	+	14	
88 14	SerraPac .35	25	15	1624	14	1404	+	14		38 18	TeoPac .25	18	4	320	210	224	+	14	
89 14	SerraPac .35	25	15	1624	14	1404	+	14		39 18	TeoPac .25	18	4	320	210	224	+	14	
90 14	SerraPac .35	25	15	1624	14	1404	+	14		40 18	TeoPac .25	18	4	320	210	224	+	14	
91 14	SerraPac .35	25	15	1624	14	1404	+	14		41 18	TeoPac .25	18	4	320	210	224	+	14	
92 14	SerraPac .35	25	15	1624	14	1404	+	14		42 18	TeoPac .25	18	4	320	210	224	+	14	
93 14	SerraPac .35	25	15	1624	14	1404	+	14		43 18	TeoPac .25	18	4	320	210	224	+	14	
94 14	SerraPac .35	25	15	1624	14	1404	+	14		44 18	TeoPac .25	18	4	320	210	224	+	14	
95 14	SerraPac .35	25	15	1624	14	1404	+	14		45 18	TeoPac .25	18	4	320	210	224	+	14	
96 14	SerraPac .35	25	15	1624	14	1404	+	14		46 18	TeoPac .25	18	4	320	210	224	+	14	
97 14	SerraPac .35	25	15	1624	14	1404	+	14		47 18	TeoPac .25	18	4	320	210	224	+	14	
98 14	SerraPac .35	25	15	1624	14	1404	+	14		48 18	TeoPac .25	18	4	320	210	224	+	14	
99 14	SerraPac .35	25	15	1624	14	1404	+	14		49 18	TeoPac .25	18	4	320	210	224	+	14	
100 14	SerraPac .35	25	15	1624	14	1404	+	14		50 18	TeoPac .25	18	4	320	210	224	+	14	
101 14	SerraPac .35	25	15	1624	14	1404	+	14		51 18	TeoPac .25	18	4	320	210	224	+	14	
102 14	SerraPac .35	25	15	1624	14	1404	+	14		52 18	TeoPac .25	18	4	320	210	224	+	14	
103 14	SerraPac .35	25	15	1624	14	1404	+	14		53 18	TeoPac .25	18	4	320	210	224	+	14	
104 14	SerraPac .35	25	15	1624	14	1404	+	14		54 18	TeoPac .25	18	4	320	210	224	+	14	
105 14	SerraPac .35	25	15	1624	14	1404	+	14		55 18	TeoPac .25	18	4	320	210	224	+	14	
106 14	SerraPac .35	25	15	1624	14	1404	+	14		56 18	TeoPac .25	18	4	320	210	224	+	14	
107 14	SerraPac .35	25	15	1624	14	1404	+	14		57 18	TeoPac .25	18	4	320	210	224	+	14	
108 14	SerraPac .35	25	15	1624	14	1404	+	14		58 18	TeoPac .25	18	4	320	210	224	+	14	
109 14	SerraPac .35	25	15	1624	14	1404	+	14		59 18	TeoPac .25	18	4	320	210	224	+	14	
110 14	SerraPac .35	25	15	1624	14	1404	+	14		60 18	TeoPac .25	18	4	320	210	224	+	14	
111 14	SerraPac .35	25	15	1624	14	1404	+	14		61 18	TeoPac .25	18	4	320	210	224	+	14	
112 14	SerraPac .35	25	15	1624	14	1404	+	14		62 18	TeoPac .25	18	4	320	210	224	+	14	
113 14	SerraPac .35	25	15	1624	14	1404	+	14		63 18	TeoPac .25	18	4	320	210	224	+	14	
114 14	SerraPac .35	25	15	1624	14	1404	+	14		64 18	TeoPac .25	18	4	320	210	224	+	14	
115 14	SerraPac .35	25	15	1624	14	1404	+	14		65 18	TeoPac .25	18	4	320	210	224	+	14	
116 14	SerraPac .35	25	15	1624	14	1404	+	14		66 18	TeoPac .25	18	4	320	210	224	+	14	
117 14	SerraPac .35	25	15	1624	14	1404	+	14		67 18	TeoPac .25	18	4	320	210	224	+	14	
118 14	SerraPac .35	25	15	1624	14	1404	+	14		68 18	TeoPac .25	18	4	320	210	224	+	14	
119 14	SerraPac .35	25	15	1624	14	1404	+	14		69 18	TeoPac .25	18	4	320	210	224	+	14	
120 14	SerraPac .35	25	15	1624	14	1404	+	14		70 18	TeoPac .25	18	4	320	210	224	+	14	
121 14	SerraPac .35	25	15	1624	14	1404	+	14		71 18	TeoPac .25	18	4	320	210	224	+	14	
122 14	SerraPac .35	25	15	1624	14	1404	+	14		72 18	TeoPac .25	18	4	320	210	224	+	14	
123 14	SerraPac .35	25	15	1624	14	1404	+	14		73 18	TeoPac .25	18	4	320	210	224	+	14	
124 14	SerraPac .35	25	15	1624	14	1404	+	14		74 18	TeoPac .25	18	4	320	210	224	+	14	
125 14	SerraPac .35	25	15	1624	14	1404	+	14		75 18	TeoPac .25	18	4	320	210	224	+	14	
126 14	SerraPac .35	25	15	1624	14	1404	+	14		76 18	TeoPac .25	18	4	320	210	224	+	14	
127 14	SerraPac .35	25	15	1624	14	1404	+	14		77 18	TeoPac .25	18	4	320	210	224	+	14	
128 14	SerraPac .35	25	15	1624	14	1404	+	14		78 18	TeoPac .25	18	4	320	210	224	+	14	
129 14	SerraPac .35	25	15	1624	14	1404	+	14		79 18	TeoPac .25	18	4	320	210	224	+	14	
130 14	SerraPac .35	25	15	1624	14	1404	+	14		80 18	TeoPac .25	18	4	320	210	224	+	14	
131 14	SerraPac .35	25	15	1624	14	1404	+	14		81 18	TeoPac .25	18	4	320	210	224	+	14	
132 14	SerraPac .35	25	15	1624	14	1404	+	14		82 18	TeoPac .25	18	4	320	210	224	+	14	
133 14	SerraPac .35	25	15	1624	14	1404	+	14		83 18	TeoPac .25	18	4	320	210	224	+	14	
134 14	SerraPac .35	25	15	1624	14	1404	+	14		84 18	TeoPac .25	18	4	320	210	224	+	14	
135 14	SerraPac .35	25	15	1624	14	1404	+	14		85 18	TeoPac .25	18	4	320	210	224	+	14	
136 14	SerraPac .35	25	15	1624	14	1404	+	14		86 18	TeoPac .25	18	4	320	210	224	+	14	
137 14	SerraPac .35	25	15	1624	14	1404	+	14		87 18	TeoPac .25	18	4	320	210	224	+	14	
138 14	SerraPac .35	25	15	1624	14	1404	+	14		88 18	TeoPac .25	18	4	320	210	224	+	14	
139 14	SerraPac .35	25	15	1624	14	1404	+	14		89 18	TeoPac .25	18	4	320	210	224	+	14	
140 14	SerraPac .35	25	15	1624	14	1404	+	14		90 18	TeoPac .25	18	4	320	210	224	+	14	
141 14	SerraPac .35	25	15	1624	14	1404	+	14		91 18	TeoPac .25	18	4	320	210	224	+	14	
142 14	SerraPac .35	25	15	1624	14	1404	+	14		92 18	TeoPac .25	18	4	320	210	224	+	14	
143 14	SerraPac .35	25	15	1624	14	1404	+	14		93 18	TeoPac .25	18	4	320	210	224	+	14	
144 14	SerraPac .35	25	15	1624	14	1404	+	14		94 18	TeoPac .25	18	4	320	210	224	+	14	
145 14	SerraPac .35	25	15	1624	14	1404	+	14		95 18	TeoPac .25	18	4	320	210	224	+	14	
146 14	SerraPac .35	25	15	1624	14	1404	+	14		96 18	TeoPac .25	18	4	320	210	224	+	14	
147 14	SerraPac .35	25	15	1624	14	1404	+	14		97 18	TeoPac .25	18	4	320	210	224	+	14	
148 14	SerraPac .35	25	15	1624	14	1404	+	14		98 18	TeoPac .25	18	4	320	210	224	+	14	
149 14	SerraPac .35	25	15	1624	14	1404	+	14		99 18	TeoPac .25	18	4	320	210	224	+	14	
150 14	SerraPac .35	25	15	1624	14	1404	+	14		100 18	TeoPac .25	18	4	320	210	224	+	14	
151 14	SerraPac .35	25	15	1624	14	1404	+	14		101 18	TeoPac .25	18	4	320	210	224	+	14	
152 14	SerraPac .35	25	15	1624	14	1404	+	14		102 18	TeoPac .25	18	4	320	210	224	+	14	
153 14	SerraPac .35	25	15	1624	14	1404	+	14		103 18	TeoPac .25	18	4	320	2				

Closing prices on Dec. 7, 1972

[illegible]

U.S. Commodity Prices

(Yesterday's closing prices in local currencies)		NEW YORK, Dec. 7.—CASH prices in primary markets as re- ported today in New York are:		COMMODITY FUTURES		Prev. Close	
Amsterdam					Open	High	Low
Algoz	72.30	Hudson-Corn	9.15	WHEAT	2.54 1/2	2.54 1/2	2.52 1/2
Algeria	326	HydroChem.	2.82	Dec	2.54 1/2	2.54 1/2	2.52 1/2
Algeria	326	Marathon	2.95	Mar	2.54 1/2	2.54 1/2	2.52 1/2
Algeria	326	Nichols	0.71	May	2.54 1/2	2.54 1/2	2.52 1/2
Algeria	326	Randolph	2.47	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Dec	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Mar	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	May	2.27	2.23	2.20
Algeria	326	Rockwell	11.05	Sept	2.27	2.23	2.20

24-31,	Sep	80.12	10.17	17.00	10.17	10.10	187
Oct. '73	Oct	9.90	9.96	9.85	10.90	10.97	Std
40.	SOYBEAN MEAL						-V

[illegible]

+18	Dec	46.75	46.75	45.05	45.05	45.50	
	Jan	42.90	42.35	42.15	42.75	42.25	30
	Feb	43.15	43.25	41.70	42.00	42.45	31

[illegible]

Den 24.

Business. The business community throughout Europe relies on the Herald Tribune for essential world-wide news.

Comment. James Reston, C.L. Sulzberger, Tom Wicker, Joseph Kraft, Russell Baker, Art Buchwald —

[illegible][illegible][illegible][illegible]

essential world-wide
business news. Day after day,
read them in the Tribune.

1

1. *Journal of Management Studies*, 1996, 33, 1, 1-14.

100

essential world-wide
business news. Day after day.
read them in the Tribune.

1. *Journal of Management Studies*, 1997, 34, 1, 1-14.

[illegible][illegible]

Tokyo Exchange			
Dec. 7, 1973			
	Price	Yen	
Asahi Glass	352		Mitsui 21 Wk
Canon Camera	346		Atsuharu Shin
Eai. Sup. Franch	340		Mitsui Corp
Fuji Bank	330		Mitsui Co.
Fuji Photo	325		Atsuharu
Hitachi	243		Nippon Elec.
Honda Motor	830		Sharp
K. Itoh	340		Shimizu
Japan Air Lines	1,110		Sony Corp
Kanasa E. P.	2,050		Sumitomo Bk
Kasei Soap	315		Takata Marine
Kirin Brewery	359		Takeda Chem
Kobe Steel	360		Tokai Bk
Kubota I. Wkg	320		Tokyo Marine
Mitsui E. Ind.	718		Toray
			Toyota Motor

Eurodollars			
Dec. 7, 1973			
	Bid	Ask	Cl.
7 Day Fik	5 1/8	5 1/4	
30 Month	5 3/8	5 1/8	
3 Months	6 1/8	5 1/4	

	Op.	Cl.	
London	82.85	82.10	1
Zurich	82.10	82.80	1
Paris (12.5 kilo) ...	83.72	83.74	-

U.S. dollars per ounce.

All these companies having been sold, this announcement stands as a record of record and



300 000 Shares

Common St

(11 Per Value)

H. H. Gentry & Co.

Hangarath & Co.

Slyth Eastman Dillon & Co. Incorporated	durPont Globe Morgan Incorporated	Goldman, Sachs
---	---	-----------------------

Kuhn, Loeb & Co.	Lazard Freres & Co.	Loeb, Rhoades
------------------	---------------------	---------------

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

Reynolds Securities Inc. **Shearson, Hammill & Co.** **Prescott, Merrill, Turben**
Incorporated

JBS-DE Corporation Hambro Bank
Limited ABD Securities Corpor
